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Background

Prior to 1969, Utah farmland was assessed and taxed according to its market value. However, as Utah population centers began to expand into the surrounding agricultural property, the market value of agricultural property began to rise. This increased market value produced property taxes that made some farming operations economically prohibitive. In 1969, the Utah Legislature passed the Utah Farmland Assessment Act, which provided for qualified agricultural property to be assessed and taxed on its productive value instead of its market value. This law is commonly called the “Greenbelt” law.

Authority

The majority of constitutional, statutory, and rule authorities specific to the Farmland Assessment Act are in the following:

- Constitution of Utah: Article XIII, Sections 2 & 3
- Utah Code Annotated: Sections 59-2-501 through 59-2-515
- Tax Commission Rules: R884-24P-42, 52 and 53

State Farmland Evaluation Advisory Committee

Utah Code Annotated §59-2-514 authorizes a State Farmland Evaluation Advisory Committee (“The Farmland Committee”). The role of the Farmland Committee is to recommend to the Tax Commission values for various classifications of land in agricultural use based upon the productive capabilities of the land when devoted to specific agricultural uses. [This is the link to the statute.](#)

The Farmland Assessment Study

For over fifteen years the Property Tax Division of the Utah Tax Commission has contracted with the Department of Applied Economics at Utah State University (USU) to provide an independent report of “productive values” for lands that qualify for the Farmland Assessment Act (FAA). The full content of the yearly report can be viewed below.

The Farmland Committee uses the independent farmland assessment study to review and make recommendations on productive values for farmlands to the Property Tax Division of the State Tax Commission. The Property Tax Division of the State Tax Commission uses the values recommended by the Farmland Committee to prepare schedules of the taxable value on a per acre basis of land subject to the Farmland Assessment Act (FAA). The schedules are updated and adopted by the Tax Commission each year in Administrative Rule R884-24P-53, which can be [viewed here](#)

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